

17 October 1957

CATAL

- NO CHANGE IN GLASS. L
11 DECLASSIFIED
GLASS. CHANGED BY: TO C
NEXT REVIEW DATE:

25X1

© 1990

3. They smarting over Independent attacks on Socialist economy program, but may be willing to "stick" Independents with job.

B. Social-economic unrest may aid Pinay by giving deputies sense of urgency.

C. Nevertheless, many will be disturbed by his demand for a guarantee of one year in office and apparent plans to put on ice any major changes in Algerian policy.

III. If Pinay fails, Coty expected to give Mollet second opportunity, but his prospects would be hurt if Socialist opposition sinks Pinay.

A. Mollet is widely respected, however, and could muster majorities on a wide variety of issues including Algeria.

B. Still some possibility Socialist-Independent differences will be sidestepped by installation of another stop-gap cabinet of the Bourges-Maunoury type.

1. Compromise candidates mentioned include Pflimlin, Schuman (Popular Republicans), and Finance Minister Gaillard and Defense Minister Morice (Radical Socialists).

2. Such a move would only postpone major decisions on Algeria and economic policy.

IV. Continuing impasse has increased speculation on possibilities of "unorthodox" solution.

25X1X1

A. chances for return of De Gaulle considerably enhanced if no solution by end of month.

1. Perhaps even sooner if situation deteriorates suddenly.

V. De Gaulle's stature progressively increased since publication of first volume of memoirs in 1954 made strong favorable public impression.

A. Now in good health following two cataract operations.

B. He is said to believe confluence economic and Algerian problems makes situation ripe for comeback. Not adverse to serving under Coty.

25X6

C. De Gaulle still has residue of support on right from World War II and RPF days.

D. Potential exists for broader following among center and left because of his proposed federal solution for Algeria.

1. France would "lead but not dominate."

25X1

E. De Gaulle's terms reported to be very stiff, however.

1. In effect asks dissolution of Assembly for rest of present term—until 1961—while he legislates constitutional and other reforms.

2. Deputies as yet probably not ready to accept.

F. De Gaulle so far shows no inclination to try coup, though this outside possibility if rapid social-economic deterioration sets in.

1. **Extreme centralization of authority in Paris facilitates such a move--could almost be done by phone.**

25X1